



STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION
1102 Q Street • Suite 3000 • Sacramento, CA 95811
(916) 322-5660 • Fax (916) 322-0886

January 22, 2019

The Honorable Connie Leyva
California State Senate
State Capitol, Room 4061
Sacramento, CA 95811

**RE: Senate Bill 71 (Leyva) – Clarify the Use of Campaign and Legal Defense Funds
Related to Violations of California’s Fair Employment and Housing Act - SPONSOR**

Dear Senator Leyva

At the December 20, 2018 meeting of the bipartisan Fair Political Practices Commission, the FPPC voted to sponsor legislation that would amend the Political Reform Act to clarify the proper use of funds from campaign and legal defense committees. Under Senate Bill 71, campaign and legal defense committees would be prohibited from expending any funds related to the legal costs of defending or filing a claim related to violations of California’s Fair Employment and Housing Act.

Current law authorizes elected officials and candidates to use campaign and legal defense funds to pay for the legal expenses that may arise directly out of the conduct of an election campaign, the electoral process, or the performance of the officeholder’s governmental activities and duties. Under the Political Reform Act, attorneys’ fees and other costs related to administrative, civil, or criminal lawsuits may only be paid with campaign funds if the case is directly related to a political, legislative, or governmental purpose.

In March 2018, the Fair Political Practices Commission (FPPC) withdrew an advice letter¹ sent to and requested by former Senator Tony Mendoza that permitted him to use legal defense and campaign funds to defend himself against claims of sexual harassment that arose during his status as an elected official.

Following its withdrawal of the advice letter, the FPPC reexamined its policies pertaining to the use of legal defense and campaign funds to pay for legal costs associated with claims brought under the Fair Employment and Housing Act. The FPPC concluded the withdrawal of the advice letter left a gap in FPPC policy related to whether legal defense and campaign funds can be used to pay or reimburse an elected official or candidate for legal fees associated with violations of the Fair Employment and Housing Act.

¹ Mendoza Advice Letter A-18-009 (rescinded, March 2018), California Fair Political Practices Commission.

To remove any ambiguity, Senate Bill 71 will prohibit the use of legal defense and campaign funds for legal expenses, fines, penalties, judgments, or settlements associated with violations of the Fair Employment and Housing Act, including sexual harassment and discrimination.

For these reasons, the FPPC is proud to sponsor SB 71 and looks forward to working with you on this important legislation. If you have any questions, please contact Phillip Ung, Director, Legislation and External Affairs at (916) 322-7635 or pung@fppc.ca.gov.

Sincerely,



Loressa Hon
Acting Executive Director